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Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Implementation of Sections 11 and 13 of the Cable Television Consumer Protection and Competition Act of 1992

Horizontal and Vertical )
Ownership Limits, Cross-Ownership )
Limitations and Anti-Trafficking )
Provisions )

MM Docket No. 92-264

COMMENTS OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth") submits these comments in response to the Commission's Notice of Proposed Rulemaking (Notice) released in the above-styled docket on December 28, 1992.

I. The Commission Should Adopt The Television Broadcast
Attribution Standard For Determining Affiliate
Interests In This And In Its Video Dialtone Proceeding.

The Notice asks whether the broadcast attribution criteria in section 73.3555 (Notes) of the Commission's Rules are appropriate to implement the cable anti-trafficking rule, the MMDS/SMATV cross-ownership prohibition, the subscriber limits and the channel occupancy limits addressed in this proceeding. BellSouth

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<sup>1</sup> Notice at para. 12.

<sup>&</sup>lt;sup>2</sup> Notice at para. 26.

<sup>&</sup>lt;sup>3</sup> Notice at para. 38.

<sup>4</sup> Notice at para. 46.

the communications markets they represent are converging. In this new environment, the application of disparate attribution standards for different activities involving the same players will lead to inefficient regulation and invite service providers to engage in regulatory gamesmanship of those rules to obtain competitive advantages. The Commission can avoid this adverse result by taking the action recommended herein.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

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February 9, 1993

will develop. The Commission will quickly become embroiled in unproductive disputes which focus on subtle and increasingly insignificant distinctions in affiliated relationships which make little sense in the larger context of recent marketplace developments.

The Commission should adopt the same attribution rules for all industry participants. The attribution rules which apply to the broadcast industry, including any subsequent revisions the Commission might adopt, would appear to be the most appropriate standard for providing that uniformity. Consequently, in its video dialtone proceeding, the Commission should also grant those petitions for reconsideration arguing that the broadcast attribution rules be applied, without modification, to video programming – telephone company affiliate interests.

## II. CONCLUSION

The Commission should move the communications industry toward uniform attribution rules. The maze of federal attribution rules which currently exists cannot be justified in today's environment. The Commission's attribution criteria should reflect the fact that these industries and

<sup>&</sup>lt;sup>7</sup> <u>See</u>, Notice Of Proposed Rulemaking, MM Docket No. 92-51, 7 FCC Rcd 2654 (1992).

<sup>&</sup>lt;sup>8</sup> <u>See</u>, BellSouth's Opposition To Petitions For Reconsideration, filed November 12, 1992, pp. 6-7 CC Docket No. 87-266. For example, the Commission should apply the single majority shareholder rule for purposes of determining prohibited affiliated interests under its cable-telephone company cross-ownership rules.

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